



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 17, 2013

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Upper Santa Ynez River Operations Agreement – Authorization Increases

RECOMMENDATION: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Increasing the Authorized Expenditures Under the Letter Agreement with the U.S. Bureau of Reclamation, Approved by Resolution No. 08-102, for Preparation of Federal Warren Act Contracts Related to the Upper Santa Ynez River Operations Agreement from \$15,000 to \$30,000, and Authorizing the Public Works Director, or Designee, to Execute any Required Documents; and
- B. Authorize the Public Works Director to execute a contract amendment for an increase in the scope of work in the amount of \$19,200, and an increase in extra services authorization of \$1,307 under Agreement No. 23,185 with Stetson Engineers, for computer modeling and documentation related to the Upper Santa Ynez River Operations Agreement, for an amended total authority of \$99,126.

DISCUSSION:

In 1989, the City entered into the Upper Santa Ynez River Operations Agreement (USYROA), also known as the "Pass Through Agreement." The agreement settled a lawsuit to resolve issues regarding Santa Ynez River water rights and addressed the City's need to replace water supply lost to ongoing sedimentation in Gibraltar Reservoir. Under the agreement, the City agreed to defer the planned enlargement of Gibraltar Reservoir in exchange for the right to utilize Lake Cachuma for storage and conveyance of water that would have otherwise been captured by the enlarged Gibraltar Reservoir.

Due to significant siltation resulting from the 2007 Zaca Fire, the City elected to enter the "Pass Through" mode of operations under which Gibraltar water is stored in Lake Cachuma. Lake Cachuma is a federal water project, and federal law requires that the storage and conveyance of non-project water in a federal project be done pursuant to a "Warren Act" contract with the U.S. Bureau of Reclamation (Reclamation). The City is pursuing interim and long-term Warren Act contracts.

Letter Agreement with Reclamation: On November 11, 2008, Council adopted Resolution No. 08-102, which authorized the Public Works Director to execute a Letter Agreement with Reclamation initiating Reclamation staff work on the required Warren Act contracts, with expenditures up to \$15,000. Since that time, there have been numerous meetings and phone conferences to determine the information needed for environmental analysis in support of the proposed Warren Act contracts. This included Reclamation's participation in the preparation of a comprehensive hydrologic analysis of Pass Through operations by Stetson Engineers (discussed below). The current status is that an Environmental Assessment is being drafted, with the goal of finalizing the document within the next month. Payments to Reclamation to date total \$14,740. The recommended increase will result in total authorization of \$30,000, and will be sufficient for additional Reclamation staff work to complete the environmental work and develop the Warren Act contracts.

Professional Services Agreement with Stetson Engineers: On August 25, 2009, Council approved Agreement No. 23,185 in the amount of \$40,700 with Stetson Engineers to provide computer modeling services and documentation in support of environmental analysis required as a part of developing the Warren Act contracts. On May 1, 2012, Council authorized an amendment increasing the total authorization to \$78,619 to provide for modeling of five operational scenarios as requested by the USYROA Technical Committee.

Stetson's work to date has included defining the Gibraltar operating assumptions, modifying and testing the existing Santa Ynez River Hydrology Model to incorporate Pass Through operations, presenting their work to the Technical Committee, preparing two draft hydrologic reports, and producing the final hydrologic report. The final report is now being used by Reclamation for environmental analysis. The remaining task is to provide technical support during the preparation of the environmental document and public comment period. It has required more time than originally anticipated and the previously approved extra services authorization has been used to develop and model an unanticipated sixth scenario requested by the Technical Committee. The recommended increase in authorization will provide funds for technical support during the remainder of the environmental process and restore the extra services budget to ensure that Stetson's services are available for timely response during the remainder of the Warren Act process.

The Water Commission reviewed the proposed increases at its meeting of September 9, 2013 and voted 3 to 0 to concur with the staff recommendations.

BUDGET/FINANCIAL INFORMATION:

There are sufficient funds in the Fiscal Year 2014 Water Fund Operating Budget for the recommended increases in authorizations. No change in the letter agreement with Reclamation is required.

PREPARED BY: Rebecca Bjork, Water Resources Manager/BF/mh

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office